



Hon. Robert T. Matsui

Member of Congress

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Robert T. Matsui

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MATSUI: BUSH DIVIDEND TAX PLAN IS A FALSE PROMISE FOR AMERICAN SENIORS

WASHINGTON, DC-Today Congressman Robert T. Matsui (D-CA) joined several House Democratic leaders to refute Republican claims that the Bush dividend tax plan will benefit the average American senior. House and Senate Republicans held a press conference with the "Seniors Coalition" - a front group underwritten by pharmaceutical companies - to promote the President's tax agenda. Rep. Matsui made the following remarks:

"Let me begin by saying that it is disingenuous for Republicans to promote their plan by using the so-called "Seniors' Coalition." The Seniors' Coalition has a partisan agenda and is essentially bought and paid for by the pharmaceutical industry. Rather than holding press conferences with phony groups, the Republicans should abandon their damaging economic policies and reverse their approach to Social Security and Medicare.

"The Bush Administration and Congressional Republicans suggest that their plan to eliminate taxation on dividends will be a boon for seniors. The reality is that 60% of seniors will get absolutely nothing from this plan. Seniors who make between \$20,000 and \$30,000, which is the median income for seniors, can expect a benefit of \$89. Those who earn \$50,000 to \$75,000 will get \$366. But those making \$1 million or more will receive \$51,908. That's the fundamental purpose of this plan - to benefit the very wealthy while giving next to nothing to the vast majority of American seniors.

"What's even more disturbing than the skewed distribution of this tax cut is the fact that to pay for it, we will have to drain the Social Security and Medicare trust funds. If Republicans were serious about helping seniors they would stop their raid on Social Security and propose a meaningful prescription drug benefit. It's a question of values. Should we spend hundreds of billions of dollars to funnel more tax cuts to the very wealthiest Americans in a time of war? Or should we shore up Social Security and provide real drug coverage for seniors? Judging by their tax proposals and Medicare plan, President Bush and Congressional Republicans have made their choice. Democrats believe Americans deserve better."

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